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OPERATIONAL ACTIVITIES OF THE UNITED NATIONS FOR INTERNATIONAL DEVELOPMENT COOPERATION: FOLLOW-UP TO POLICY RECOMMENDATIONS OF THE GENERAL ASSEMBLY

Addendum

Field- and regional-level coordination

Report of the Secretary-General

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I. COUNTRY-LEVEL COORDINATION: THE RESIDENT COORDINATOR SYSTEM AND RELATED MECHANISMS

A. Introduction

1. The present report reviews current issues in field coordination, with special reference to the relevant provisions of General Assembly resolutions 47/199 and 50/120. Those provisions include a strengthened role for the resident coordinator system, its effective functioning through thematic groups and field-level committees, including by reviewing and amending programmes and projects; widening the pool for the recruitment of resident coordinators; improved performance appraisal; and increasing support for the resident coordinator function. There are specific directives on the country strategy note, coherence of the resident coordinator system in countries that have not adopted the country strategy note, and steps to be taken in the areas of the programme approach and national execution to improve system-wide collaboration.

2. The present report covers a wide range of subjects that facilitate cooperation by the United Nations system at the country level, and includes information on common premises and shared services, joint evaluation and monitoring, and a number of other subjects that were previously considered individually.

3. Field-level coordination within the United Nations system involves in the first instance the resident coordinator system. An analysis of progress in the functioning of the system is of particular importance, and is presented below at three levels: (a) action at the global level to clarify mandates and functions and strengthen the system by widening the recruitment base, improving performance appraisal and providing guidance to the field; (b) action at the country level; and (c) emerging issues and requirements.

B. Assessment of the functions of the resident coordinator system

4. The following steps have been taken to strengthen the resident coordinator system at the global level:

(a) In his letter of 17 March 1997 to the President of the General Assembly, the Secretary-General announced decisions made on 17 March 1997 to achieve greater coherence of the United Nations system at the country level (see A/51/829). He also charged the Executive Committee of the Development Operation Group with the implementation of his directives. A range of practical measures to strengthen the resident coordinator system are being introduced to better define the dual responsibilities of resident coordinators and the resident representatives of the United Nations Development Programme (UNDP), and to ensure a broader selection of highly qualified candidates with recent experience in United Nations system organizations, build an appraisal system focused on competence and results, foster the team concept at the country level, provide support to the resident coordinator system (resources and headquarters backstopping), support training and simplify the clearance process;

(b) At the Administrative Committee for Coordination (ACC) level, in particular the Consultative Committee on Programme and Operations Questions (CCPOQ), new guidelines for the resident coordinator system and related programme issues will be finalized during the second half of 1997. Moreover, the CCPOQ working group on the resident coordinator system reviewed system-wide questions on the functioning of the resident coordinator system. It agreed on the scope and content of the new guidelines, approved the steps taken by UNDP to widen the recruitment pool for resident coordinators, and agreed to introduce an appraisal system focused on competence and results, as well as a training system for the resident coordinator system, improvements in the annual reports of the resident coordinator system, and the extension of the common country assessment project, initiated by the Joint Consultative Group on Policy (JCGP), to all interested United Nations system organizations;

(c) The United Nations organized a workshop on best practices in the resident coordinator system and related matters in cooperation with the United Nations Staff College in February 1997 at the International Labour Organization (ILO) International Training Centre at Turin. The results of the workshop will lead to system-wide guidelines;

(d) A number of measures have been taken to implement General Assembly resolution 50/120 in the area of the resident coordinator system:

(i) The widening of the pool now includes, in addition to the JCGP member bodies, the four large specialized agencies (the Food and Agriculture Organization of the United Nations (FAO), the ILO, the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Health Organization (WHO)). They all submitted candidates and participated in annual consultations on the roster in December 1996;

(ii) Vacancy announcements for resident coordinators are the subject of consultations with the host Government. When the position of the resident coordinator has involved humanitarian coordination responsibilities, consultations have been held with the Department of Humanitarian Affairs of the United Nations Secretariat. Consultations are also held with the Department of Public Information of the United Nations Secretariat when the resident coordinator is carrying out United Nations information centre responsibilities;

(iii) A special effort is being made to increase the number of women resident coordinators;

(iv) Management support to the resident coordinator function is being strengthened by the Administrator of UNDP in his capacity as designated official by the Secretary-General for providing management support;

(v) Resources devoted to the resident coordinator system by the UNDP Executive Board now represent 1.7 per cent of core resources devoted to the specific programme activities assigned by the General Assembly (estimated at $17 million). It is estimated that about 30 per cent of the budgets of UNDP field offices supports the operational activities

of the United Nations system (the Board allocated $48 million per year to that end);

(vi) Training of resident coordinators and other senior field representatives is a continuing priority. Almost 80 country teams have undergone team-building training, and a new generation of workshops is in the process of being developed under the aegis of CCPOQ.

5. In general, there is a trend towards increased team participation in the resident coordinator system as part of the team concept. It has been shown that success depends on the capacity of all members of the United Nations system to involve themselves fully in the team's work. This requires a management style by all concerned which balances the leadership of the resident coordinator in the principal initiatives of the United Nations system with appropriate delegation of responsibilities to member organizations based on the lead-agency concept.

1. Thematic working groups

6. Thematic working groups, although important mechanisms, have not always worked with full effectiveness. Based on the 1996 reports of the resident coordinators (107 reports as of April 1997), such groups can be found in at least 84 out of 107 programme countries. However, this does not mean that those groups already play a major role in the functioning of the resident coordinator system. In some countries, their role is limited to formal inter-agency information or negotiation, so that they still play a marginal role. In most countries, other coordination meetings, sometimes informal, take place to exchange information on their respective programmes. In many cases, they have allowed the improvement of system-wide collaboration, especially at the intermediate level, among professional cadres. They also represent a practical way to implement the lead-agency concept, providing the opportunity for organizations to be in charge of specific groups, based on mandate and competency.

7. Thematic working groups address such issues as gender, the human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS), food security and nutrition, reproductive health, displaced population, disaster management, water, peace process and governance, education, environment, youth, children in difficult circumstances and drug-related problems. Sometimes, thematic groups address more broadly defined issues, such as social development and economic development, or even more broadly defined issues, such as poverty eradication, sustainable human development and/or the social dimensions of development. In administrative areas, inter-agency groups may address such issues as security, housing, local salary survey, post adjustment and post classification. When a group is supported by adequate technical professional capacity and resources, it is likely to achieve tangible results.

8. Thematic groups are sometimes open to the participation of non-United Nations officials, such as representatives of civil society organizations and donors, as required. Participation of government officials is frequent.

2. Follow-up to major conferences

9. The Council, at its substantive session of 1995, took note of the initiatives undertaken by the United Nations system, at the ACC level, on the coordinated follow-up to major international conferences in the economic, social and related fields. The Council recognized that those conferences should be viewed as interlinked and contributing to an integrated framework of a global partnership for development. Although Governments have the primary responsibility for implementing declarations and programmes of action adopted by international conferences, the Council recognized that the United Nations system has an important role in contributing to, assisting in, facilitating and reviewing the progress of the implementation of the results of those conferences and further promoting their goals and objectives.

10. At the global level, ACC has established a number of inter-agency groups in order to provide integrated support for country-level action on interrelated themes, namely basic social services for all; enabling environment for economic and social development; employment and sustainable livelihoods; women and gender equality; and sustainable development. At the regional level, the regional commissions, in their periodic inter-agency meetings with regional representatives of United Nations bodies, address the regional aspects of the follow-up to conferences.

11. At the country level, the General Assembly acknowledged the role of the resident coordinators in facilitating, in full consultation with national Governments, a coherent and coordinated United Nations follow-up to major international conferences at the field level. The combined outputs of global conferences are to be absorbed through coordinated integration into national processes, based on the concept of the programme approach, so that strategies and programmes that are inspired by global agendas also genuinely reflect national priorities and needs. However, few countries have achieved such a coordinated integration.

12. System-wide efforts to promote follow-up to international conferences are not always effective, although they may have been crucial in ensuring Governments' participation in those conferences and establishing integrated conceptual frameworks for national policies. In this respect, two critical issues arise: (a) the underlying relationship between Governments and the United Nations system may be excessively dependent on the system's support, so that the follow-up is too supply-driven; and (b) country-level objectives and analyses identified in global agendas require an effort to be channelled through national processes.

3. Information-sharing of planned activities within the resident coordinator system

13. Information-sharing is one of the key areas in which the resident coordinator system shows substantive achievements and is increasingly extended to national entities, both governmental and non-governmental. Information-sharing includes common data banks in which the system has made progress recently through work on the common country assessment, a tool that should

permit the formulation of common situation analyses. The assessment will be integrated with the country strategy note formulation and the country assistance development framework, where applicable, as a system-wide response to national priorities. About 46 per cent of the resident coordinators reported that consultations among JCGP member bodies have taken place concerning harmonizing the information system needed for the common country assessment. Thirty-six per cent of the resident coordinators have reported that JCGP member bodies have reached an agreement to undertake the preparation of the common country assessment in their programme countries, and in some cases preliminary work has already begun; however, about 30 per cent of the resident coordinators have indicated that there are currently no plans for the preparation of an assessment.

14. Policy analysis should be singled out as one of the most promising information-sharing activities, as shown by country examples in which coordinated efforts are being conducted. The significance of those efforts will be enhanced if a wider participation of United Nations system organizations is ensured, linking policy analysis with the common country assessment and country strategy note processes.

15. Improvement of electronic communication within the United Nations system through the Local Area Network and common access to the Internet has been singled out as a prominent area to develop in several countries.

16. While information-sharing with the Bretton Woods institutions needs to be further enhanced, there is evidence of increasing involvement of the World Bank and the International Monetary Fund in the formulation of the country strategy note, when the Government so decides, especially when they are represented at the country level.

17. Information-sharing or consultation is widely pursued for operational and administrative matters, as well as for substantive and programme issues. Nevertheless, information on programme matters is often confined either to general exchange of views or ex post facto information, limiting actual coordination of programme activities. Although ex post facto information is useful, it is insufficient to ensure effective programme coordination.

4. Support of the resident coordinator system to donor contribution

18. Some Governments call on the coordinating function of the resident coordinator to facilitate consultation with the donor community. In those cases, the resident coordinator facilitates policy dialogue and frequent consultations with donors. That role is always carried out in support of the Government, through information-sharing, a functional division of responsibilities with bilateral donors, and using the neutrality of the United Nations system in facilitating the policy dialogue between the donor community and the Government. That role can be particularly relevant when dealing with sensitive issues because of the United Nations neutrality in providing advice and technical support on policy formulation and capacity-building.

19. Periodic meetings with bilateral donors are carried out with the consent of the host Government. They facilitate the policy dialogue between the Government and donors, serve a liaison function between the Government and the donor community, contribute to donor coherence, provide a forum for information exchange, and facilitate the preparation of round-table and consultative group meetings. The success of such contributions by the resident coordinator often depends on the capacity of the resident coordinator system to mobilize high-quality technical support to that coordinating function.

20. In some countries, the participation in donor meetings of resident coordinator system members other than the resident coordinator has been limited. The fuller realization of the potential contribution by the United Nations system to country-level coordination requires high-quality, timely, relevant technical inputs generated on the basis of the respective areas of competence of United Nations system organizations.

5. Shared and collaborative programming

21. Progress to establish system-wide mechanisms for shared and collaborative programming appears to be slow. In general, consultation on general orientations of respective programmes occurs, but there are no specific modalities and procedures for harmonizing and integrating the formulation of individual programmes. One essential step not yet generally followed is for each agency to share major programme and project ideas with agency partners at the outset before they have invested time and money on their elaboration and so become resistant to examining alternative ways to tackle development problems.

22. The harmonization of programming cycles is an ongoing effort within JCGP. Although it does not mean harmonization of programmes, the expectation was that synchronization cycles would facilitate the eventual harmonization of programming, in view of the fact that Governments would have an overview of at least four programmes at one time. The introduction of programming changes at UNDP and to some extent at the World Food Programme (WFP) has affected that effort. As of March 1997, 27 countries have harmonized their cycles and another 54 are scheduled to be harmonized by 1999.

23. The Secretary-General has requested all United Nations funds and programmes to join together in common United Nations development assistance frameworks, under the resident coordinator as the leader of the United Nations country team, in the preparation of a common programme and programme-resource framework at the country level, in full consultation with and in support of the Government.

6. Functioning of the field-level committees, including review of programmes and projects prior to their approval

24. In most countries, the basic inter-agency consultation mechanism within the resident coordinator system is the periodic meeting among heads of agencies, which responds to the field-level committee as per paragraph 40 of General Assembly resolution 47/199.

25. The General Assembly decided that the field-level committee should review substantive activities of the United Nations system, including draft country programmes, sectoral programmes and projects, prior to approval by individual organizations, and should be one of the main vehicles to exchange experience acquired within the United Nations system. For that purpose, the above-mentioned workshop held at the ILO International Training Centre at Turin in February 1997 suggested that a United Nations system country programme review committee be established in each programme country.

26. In their annual reports, resident coordinators confirmed that field-level committees are established in 86 out of 107 countries. However, country experience shows that, with the exception of the resident coordinators, country representatives of United Nations organizations and bodies often ignore the rationale and functions of the field-level committee. The regularity and frequency of the heads of agencies meetings vary from country to country, and so does their formality.

27. Resident coordinators in 46 out of 107 programme countries have reported that the field-level committees deal with substantive issues in the review of programmes and projects prior to their approval by individual organizations, including draft country programmes, as indicated in paragraph 41 of General Assembly resolution 50/120. In 61 out of 107 cases, resident coordinators have reported that the field-level committee has enhanced the participation of the various United Nations system organizations and bodies in each other's country programming processes, including mid-term reviews, as well as their collaboration in needs assessment and situation analysis. The agendas of heads of agencies meetings include practical and administrative issues, the exchange of information on political conditions prevailing in the country, the support of the United Nations system in the preparation and follow-up of international conferences, the formulation of the country strategy note, the preparation of common country assessments and the formulation of common positions on development issues.

28. However, it is not clear whether a regular and systemic review of substantive activities takes place in the field-level committee leading to the adoption of formal system-wide decisions with a bearing on the orientation, definition, approval and harmonization of new programmes.

7. Role of the resident coordinator in proposing amendment of country programmes and enhancement of the responsibility and authority of the resident coordinator

29. In paragraph 39 of its resolution 47/199, the General Assembly provided the basis of the present functions of the resident coordinator. In his letter of 17 March 1997 (A/51/829), the Secretary-General reiterated that the role of the resident coordinator, as his designated representative for development cooperation and leader of the United Nations country team, should be further strengthened and enhanced. In paragraphs 39 and 40 of its resolution 50/120, the General Assembly reiterated the resident coordinator's level of responsibility and authority, making him/her responsible for facilitating the coordinated United Nations follow-up to major international conferences at the

country level, and requesting that the resident coordinator be informed of planned programme activities of the United Nations system organizations at an early stage of formulation. The need to enhance the resident coordinator's level of responsibility and authority for the planning and coordination of programmes is reaffirmed in paragraph 42 of the resolution, allowing the resident coordinator to propose to the heads of United Nations organizations, where required and in full consultation with the Government, amendments of country programmes and major projects and programmes in order to bring them into line with the country strategy note.

30. Experience indicated that a fundamental factor for a successful resident coordinator system is for all the members of the United Nations country team to accept that the resident coordinator function is important. The resident coordinator and his/her colleagues need to establish system-wide relations based on a collegial and a team approach within the United Nations system.

31. However, the authority for the resident coordinator in appraising new proposals for action or programmes is not recognized, in strictu sensu. That function would also require an increase in the professional support for the resident coordinator.

32. In its resolution 50/120, the General Assembly invited the whole United Nations system to provide support to the resident coordinator system; however, there are no clear indications of how the organizations other than UNDP are responding to that invitation. In some specific cases, a jointly funded inter-agency support unit for the resident coordinator function has been set up to assist some of the substantive, administrative, security and reporting functions of the resident coordinator. In other cases, some joint funding has been achieved by the initiative and drive of the resident coordinator concerned to support the formulation of the country strategy note or other common tasks. Contribution in kind, with professional support provided by personnel of individual organizations, is occurring but is not systematic.

33. Several country representatives of the United Nations system have highlighted the lack of adequate incentives for them to devote time to supporting resident coordinator system functions. The system may rely too much on personal efforts, without supporting them with resources or recognition in career development or other types of management support.

8. Country coordination and relations with the Bretton Woods institutions

34. In its resolution 1996/43, the General Assembly called for practical collaboration in various aspects of operational activities between the Bretton Woods institutions and the rest of the system. Collaboration of the United Nations system with the Bretton Woods institutions at the country level includes: (å) data collection, establishment of data banks, information-sharing of development situation and policy analysis; (b) consultation on policy orientations, structural adjustment programmes, strategy meetings, sectoral programming, external assistance needs and coordination, including the policy framework paper formulated by the Government, in collaboration with the Bretton

Woods institutions, and the country assistance strategy formulated by the Government, in collaboration with the World Bank; (c) formulation of the country strategy note and other similar frameworks and participation in its preparatory works; (d) collaboration in the policy dialogue with the programme countries in an open exchange of views with the entire international community; (e) joint financing of specific initiatives or executing arrangements between two or more institutions, which involves collaboration between the United Nations system and the Bretton Woods institutions; and (f) collaboration with supporting Governments of programme countries in external assistance coordination.

35. Although consultation between the Bretton Woods institutions and resident coordinators covers a variety of areas, it is not uniform. The main factor is the extent to which the resident coordinator system is involved in the consultation process between the Government and the Bretton Woods institutions, as well as the involvement of the Bretton Woods institutions in the consultation process between the Government and the United Nations system.

36. Consultation with the Bretton Woods institutions takes various forms. Joint participation in mixed working groups or sectoral or thematic round tables, under some kind of agreed leadership of one or more entities, is frequent. Sectoral collaboration occurs in such areas as public administration; agriculture and forestry; education; financial and macroeconomic management; national accounts and statistics, including social indicators; poverty eradication and social development strategies; HIV programmes; water and sanitation; and physical infrastructures.

37. The relations between the resident coordinator system and the Bretton Woods institutions are improving. Based on their 1996 annual reports, nearly 80 per cent of the resident coordinators rated the ongoing collaboration with the World Bank and the IMF from fairly to highly effective. About 10 per cent of the resident coordinators viewed that collaboration as rather weak. Out of 105 resident coordinators' reports, almost all confirmed that the resident coordinators had tried to strengthen collaboration with the Bretton Woods institutions at the country level.

38. Resident coordinators suggested intensifying the participation of the Bretton Woods institutions in joint programming as well as joint monitoring and evaluation exercises at the country level. Equally important is the intensification of their participation in the country strategy note process and similar exercises. Several resident coordinators believe that a more effective collaboration in country operations should be encouraged both by Bretton Woods institutions and the United Nations system organizations at headquarters level, while another group of resident coordinators suggests that the Bretton Woods institutions be associated in the joint programming consultation of the United Nations system, through common participation in periodic meetings on programming and coordination, and regular consultation on planning and strategy issues. That type of consultation is already effective in several countries.

9. The resident coordinator system and administrative aspects of the resident coordinator function: common premises and common services

39. In 34 countries, the JCGP funds and programmes represented in each country share common premises. In paragraph 44 of its resolution 50/120, the General Assembly requests that JCGP and, to the extent possible, the specialized agencies, make substantial efforts to achieve common premises, on the basis of cost-benefit analyses, avoiding increased burdens on host countries. The Secretary-General, in his above-mentioned letter of 17 March 1997, reiterated that the drive to establish common premises and common services arrangements at the country level will be intensified. The Secretary-General has underlined that the establishment of common premises and common services may serve to encourage a daily habit of coordination, cooperation and consultation. Implementation of common services arrangements at the country level may also release resources for programmes. The common premises issue will be the object of a thorough evaluation in the course of 1997.

40. For those countries where common premises have been established, even partially, their management is often entrusted to UNDP, although various mechanisms have been established, under the leadership of the resident coordinator, to ensure proper consultation in the management process. Sometimes, an inter-agency common premises board is established.

41. There is also scope for increasing joint services at the country level. Common services arrangements are in effect in several areas: security, maintenance, reception, staff services, communication, conference rooms, travel agents, financial and banking services, local transportation etc.

10. Harmonization of rules and procedures

42. In paragraph 45 of its resolution 50/120, the General Assembly calls for further simplification and harmonization of rules and procedures used by the United Nations development system in its operational activities. In particular, at the country level, sharing of administrative systems and services and the development of common databases are encouraged. The Secretary-General, in his above-mentioned letter of 17 March, while stressing the need to establish common services arrangements at the country level, indicated that all United Nations funds and programmes will be requested to collaborate at the country level for the preparation of a common programme and programme-resource framework and a common United Nations development assistance framework. All those new proposals require a special effort to harmonize programming rules and procedures.

43. One common complaint at the country level, made both by Governments and by entities of the United Nations system, is the frustration of dealing with too many planning and programming processes at the same time, with a consequent burden for government officials and country offices.

11. Programme approach

44. A system-wide effort is under way to improve the consistency and the impact of programming activities through the adoption of a common interpretation of the programme approach, as required by the General Assembly in paragraph 13 of its resolution 47/199. The General Assembly had requested, in paragraph 28 of its resolution 50/120, that the definition and guidelines for the programme approach be improved. The Economic and Social Council, in its resolution E/1996/42, paragraph 2 (a), stressed the need to further simplify and harmonize proce[illegible]s and allow sufficient flexibility for their application at the country le[illegible]. The review process of improving definitions and system-wide guidelines of the programme approach is under way.

45. Country experience has showed that there is still a lack of common understanding among United Nations system organizations on how to implement the programme approach. In some cases, the programme approach is replaced by generic references to broadly defined development policies or strategies, which are the global frameworks that link otherwise separate individual projects. The difficulties registered in the 1995 biennial comprehensive policy review concerning the utilization of this approach are still confirmed in many countries, where different interpretations of the programme approach still prevail. The absence of a coherent national programme framework is often cited as one reason for difficulties in implementing the programme approach.

46. Nevertheless, there are considerable efforts to introduce the programme approach system-wide in many countries. Examples of the programme approach can be found in such areas as the fight against AIDS and social issues or on the occasion of comprehensive evaluation of sectors, such as housing, environment, rural education, food security and rural development. The link between the country strategy note and the programme approach should be strengthened, an issue that will be taken up in the revised guidelines.

47. The programme approach has been linked to the decentralization of development planning to regional or provincial levels in some countries, and to the interest of United Nations system organizations to focus their efforts in priority areas in order to maximize their development impact.

48. Simplification of the programme approach procedures and their harmonization within the system has still to be achieved. United Nations system organizations and other donors continue to have their own procedures and accountability requirements, so that national institutions managing those programmes are often obliged to operate under a myriad of rules and accountability procedures. Some United Nations country teams have cited a lack or inadequacy of operational guidelines for using the programme approach system-wide, requiring country experimentation.

49. Appropriate forms of training are also required to make the programme approach a more relevant operational concept system-wide, allowing the operational programming of the various United Nations system organizations to be harmonized.

12. Country strategy note

50. The General Assembly has reiterated, in paragraph 17 of its resolution 50/120, its emphasis on the country strategy note as a voluntary initiative of recipient countries, conducted with the assistance of and in cooperation with the United Nations system, under the leadership of the resident coordinator. In paragraph 18 of the resolution, the Assembly highlighted the nature of the country strategy note as a common framework for country programmes of United Nations system organizations and for programming, monitoring and evaluation of those activities.

51. A new element introduced in General Assembly resolution 50/120, paragraph 18, was the specific indication of the level of resources when outlining the United Nations system contribution in the country strategy note as they are needed to meet the requirements in the country strategy note. Finally, the General Assembly requested the Secretary-General to review the guidelines in order to promote greater consistency and clarity in the United Nations system contribution to the country strategy note (see General Assembly resolution 50/120, para. 19 (a)). In paragraph 19 (b), the Assembly requested the Secretary-General to enhance the operational relevance of the country strategy note by ensuring that the development of individual country programmes takes fully into account the framework provided by the country strategy note, where it exists.

52. To date, 26 countries have formally adopted a country strategy note (14 countries were reported in the 1996 progress report to the Council). Final drafts of the country strategy note are being considered by Governments for approval in another eight countries, while preliminary drafts have been prepared in a further 11 countries. Of the 144 countries for which information is available, 92 Governments have declared their intention to pursue the country strategy note process, an increase of four over the 1996 level. More importantly, 60 of the 92 countries are involved in a fully active process for the formulation and implementation of the process, an increase of nine countries over the 1996 level. This group includes 45 countries in which a country strategy note has been produced in some form, either definite or provisional (an increase of 18 countries over the 1996 level), as well as 15 other countries in which the formulation process has become particularly active in the last 12 months and for which there are well-founded expectations that the country strategy note will soon become available.

53. The full review of the state of implementation of the country strategy note will be presented in 1998, when the new guidelines will be finalized. The country strategy note should provide the frame of reference for country programmes, allowing the harmonization of plans, priorities and strategies within the resident coordinator system. Country missions and additional information available have indicated a differentiated experience, as far as the formulation of the country strategy note is concerned. There are a few countries in which country strategy note formulation has been thorough and successful, and others where the process has appeared to be quite inadequate. The success of the first group is mostly due to the strong involvement and leadership of the Government and the extensive involvement of the United Nations system organizations.

54. The formulation of the country strategy note has led to useful achievements in the first group of countries, such as the establishment of a better programming coordination framework between the Government and the United Nations system, improved information-sharing, a suitable frame of reference for any entity which is engaged in development cooperation in the programme countries, and - of special note - a suitable frame of reference for the formulation of the country programmes of United Nations funds and programmes. In some cases, it was also suggested that the country strategy note is a good tool to facilitate team-building within the United Nations system.

55. In some cases, country strategy note formulation was facilitated by a comprehensive analytical review of the past cooperation of the United Nations system, which allowed the identification of the main themes of cooperation, thereby outlining the potential role of the system support. Such a review has been generally summarized in a paper, which is often one of the background documents for the formulation of the country strategy note.

56. The Bretton Woods institutions are usually involved in the formulation of the country strategy note, which has been welcomed by Governments.

57. United Nations specialized agencies sometimes perceive the country strategy note as a less relevant document as a frame of reference for their programming, especially because they do not use the mechanism of country programming.

58. Despite efforts to the contrary, the country strategy note is often perceived as a United Nations document. Changes in the public administration and the United Nations system country team may affect the potential use of a country strategy note previously adopted. Turnovers of government officials may alter the feasibility or the utilization of the exercise, especially if the formulation process has not been sufficiently participatory and has not created a collective critical mass in support of the country strategy note exercise on the part of the Government.

59. In countries where the country strategy note has not produced the expected results or where the country strategy note is not expected to be in place soon, there is still a need for a consistent response of the United Nations system to the development priorities and policies and plans of the Government, as requested in paragraph 14 of General Assembly resolution 50/120. The alignment of country programmes and major activities of United Nations system organizations to a consistent programming framework should be pursued in any case.

13. National execution

60. In paragraph 29 of its resolution 50/120, the General Assembly requests the organizations and bodies of the United Nations system to undertake efforts, in the context of national execution and capacity-building, to enhance the absorptive capacity in developing countries. The General Assembly also reiterated the important role of the specialized agencies of the United Nations system in transferring and facilitating the necessary technical and substantive expertise to support the national execution of United Nations-funded programme

and projects (para. 30) and requested (para. 28) the United Nations development system to improve the definition and guidelines for national execution. Attention is focused below on the implementation of national execution and its definition.

61. The status of implementation of national execution varies from country to country, although 80 per cent of the resident coordinators reported that there is a systematic policy in place for strengthening capacities for national execution in their respective programme countries. Over half of all resident coordinators (56 per cent) rated as significant the extent to which national execution has contributed to promoting the use of existing national capacities, while another quarter of all resident coordinators considers the national execution modality as capable of producing some contribution to the use of national capacities.

62. One of the major constraints to the expansion of national execution is the availability of executing capacities in the country, the need for related institutional development, and the adequacy of national procedures.

63. Notwithstanding CCPOQ guidelines, national execution is diversely defined by various United Nations system organizations in their concrete operations. UNDP and to a lesser extent the United Nations Population Fund (UNFPA) have been more directly involved in the expansion of national execution. They supported the enhancement of the national capacity required to make use of the new modality, moving from a tripartite relationship with the Government and United Nations executing agencies prevailing in the past to a bilateral relation between UNDP or UNFPA and the Government. In the latter case, technical agencies are involved only as cooperating or implementing agencies, if the Government desires to maintain the use of their services.

64. In the case of activities funded by UNDP and UNFPA, the introduction of the national execution modality has entailed the transfer of the global responsibility for project execution to either the Government itself or a designated national entity. That transfer has generated a number of consequences, including the more frequent utilization of national professionals in performing project assignments that were discharged by expatriates, even though national execution does not necessarily involve the recruitment of nationals. In several countries, it has been noted that national execution is often confused with the exclusive use of national inputs to the detriment of exchange of international experience and best practice which in the long run can retard self-reliance and pace of development.

65. The mode of national execution of the United Nations Children's Fund (UNICEF) retains financial and technical control of the programme components and uses national institutions as implementing bodies. The functions of the Chief Technical Adviser and project directors of UNDP and UNFPA initiatives are subsumed, in the case of UNICEF, in the field office.

66. In general, United Nations technical agencies, in the use of non-UNDP funds, execute the projects themselves, although they involve national institutions in their implementation and make increasing use of national

personnel as project managers, as compared with the past prevalence of expatriate chief technical advisers.

67. In most countries, national execution is in reality government execution, as there are very few local non-governmental organizations that are given executing responsibilities. More frequent is the use of local non-governmental organizations for national implementation of United Nations-supported initiatives.

68. In some countries, United Nations system representatives interviewed in country missions have identified the following practical problems in the application of national execution: conflict of interest of local personnel, inapplicability of the national execution modalities to the other development projects carried on by the national authorities which are not funded by United Nations entities, ambiguity about accountability, and excessive zeal for national ownership and national inputs.

69. The application of the national execution modality is generally supported by most Governments, although public authorities may sometimes highlight deficiencies, especially as United Nations system procedures for national execution are considered too complex and not uniform, and often stress the need to continue to rely on specialized transfer of knowledge, which may justify the use of other executing arrangements in some cases.

70. The role of cooperating arrangements with specialized agencies is, on the whole, quite marginal. By and large, the rapid extension of national execution in most countries has resulted in reduced opportunities open to United Nations technical agencies to contribute their technical expertise effectively through UNDP-funded programmes.

14. Monitoring and evaluation

71. In both General Assembly resolution 50/120 and Council resolution 96/42, strong and specific reference is made to actions that needed to be taken by the United Nations system with respect to the monitoring and evaluation of operational activities. The system has been active in responding to those calls. For example, both the Assembly and the Council have requested that thematic evaluations and programme reviews of operational activities be undertaken jointly, making the fullest possible use of national capacity. Although it is too early to draw strong conclusions, the annual reports prepared by resident coordinators for 1996 indicate that there has been some joint evaluation work in 40 per cent of countries reported on. Furthermore, 37 per cent of resident coordinators report plans to conduct joint mid-term and end-of-cycle reviews of relevant JCGP activities, which should lead to significant savings in the cost of programme review and evaluation, permitting resources to be made available to cover programmes in greater depth.

72. The Secretary-General's report on the 1995 triennial comprehensive policy review also indicated that the various parts of the United Nations system would consult on the scope and methodology of the impact evaluation foreseen for 1998, and would establish, as soon as possible, the essential baseline data needed and

the mechanisms to collect the data, so as to permit successful completion of the evaluation. From examination of the evaluation material being presented to the respective boards of the funds and programmes, it is apparent that greater attention is being paid to issues of impact, how to define it, measure or at least observe it.

73. UNDP, for example, has noted to its Executive Board that establishing baselines against which to measure progress in individual sustainable human development projects and programmes will require continuing attention. Evaluations tend to focus on operational process management rather than development impact. Although there has yet to be a concerted move by the system to set up the mechanisms to collect essential baseline data as a system, there have been extensive efforts within JCGP, led by UNFPA, to prepare a common country assessment which, once established, could provide the basis for such a mechanism.

74. Several agencies have been active in strengthening national capacity to participate in and benefit from evaluation: UNDP and UNFPA, through training of national officials, and UNICEF, through support to the use of improved monitoring data and strengthening of the associated national statistical capacity. Both UNDP and UNICEF have taken steps to widen usage of their growing evaluation databases, making them more accessible to users so as to promote learning from experience.

II. REGIONAL AND SUBREGIONAL DEVELOPMENT COOPERATION

A. Introduction

75. In paragraph 20 of its resolution 50/120, the General Assembly requested the Secretary-General, in consultation with Member States and United Nations organizations, to consider ways of enhancing the coordination of United Nations development activities at the regional and subregional levels, including ways of enhancing the role of the regional commissions and of promoting the national ownership of regional programmes. The present report constitutes an initial response to that request, and is designed to facilitate the consideration of the subject by the Council at its current substantive session.

76. Current intercountry programmes of the system are the product of a long history of active engagement at the regional and subregional levels. The system offers objective and neutral facilities and services, as well as an extensive institutional infrastructure at the country, subregional and regional levels, which no other organization can match.

77. The regional and subregional dimensions of development are increasing in importance and requirements are changing. Thus, the United Nations system must respond in new ways. Although the regional and subregional presence of the United Nations system is increasing, there is no apparent overarching framework to guide that process, and each organization is pursuing its distinctive approach, which may have practical value, but the overall value and impact of the United Nations system could be enhanced through a more coordinated approach.

78. The United Nations system makes an important difference in regional development cooperation, especially for the more disadvantaged and poorer countries. However, that role could also be enhanced by a less fragmented approach and greater coordination and convergence of development cooperation at those levels.

79. Moreover, the use of an agreed framework for resource allocations to regional operational tasks and greater symmetry in regional and subregional organizational arrangements would lead to appreciable gains to member countries. In moving in that direction, the distinctive role of intercountry programmes in operational activities should be recognized; they have a clear role in meeting specific types of requirements of recipient countries, and they have the potential to stimulate capacity-building.

B. General trends

80. Operational activities at the regional and subregional levels are initiated and implemented in response to individual requests by various partners, Governments, United Nations agencies, subregional and regional bodies, and research institutions, which tends to foster fragmentation. United Nations system activities are neither channelled through a strategic framework, nor are there mechanisms for a concerted dialogue between the United Nations system and the myriad of regional and subregional organizations that are now an important feature of regional development.

81. Moreover, there is an increasing diversity of economic structures within regions creating new complementarities and opportunities. Requirements in environmental areas, labour migration, drugs and crime demand new regional approaches, as do new issues in traditional sectors, such as agriculture, industry, education and health, which require cross-boundary responses.

82. There are many new regional and subregional groupings. Moreover, regional development banks, with major capacities in development financing (total disbursements by regional banks amount to about half those of World Bank institutions and are about the same as those of the United Nations system globally) and in technical assistance, have emerged as key players in the various regions.

83. In the United Nations system, UNDP remains the largest funder of regional development cooperation. The regional commissions have a high profile in their respective regions and maintain a large portfolio of regional operational activities, ranging from policy development to managing operational activities. Other agencies carry out important regional and subregional technical cooperation activities. Such agencies as the United Nations International Drug Control Programme (UNDCP), UNFPA and UNICEF undertake intercountry operational activities that largely emanate from their country activities. Such agencies as FAO, ILO, UNESCO, the United Nations Industrial Development Organization (UNIDO) and the World Health Organization (WHO) also have extensive links between country and intercountry operations.

84. The group of trade-related bodies in the United Nations system - the ILO International Trade Centre, the United Nations Conference on Trade and Development (UNCTAD) and the World Intellectual Property Organization (WIPO) - have important cross-border interests, as do the International Atomic Energy Agency (IAEA), the International Civil Aviation Organization (ICAO), the International Maritime Organization (IMO), the Universal Postal Union (UPU) and the World Meteorological Organization (WMO). Moreover, a relatively new agency - the Global Environment Facility (GEF) - and a number of related environmental agencies that have recently been established, have a major stake in intercountry approaches since many environmental issues can only be managed effectively through transboundary and intercountry action. Many of the smaller agencies, particularly those with a scientific and technical orientation, have a significant focus on intercountry approaches. Most of those small agencies have no country-level representation, and find regional and subregional projects and programmes to be the most appropriate approach to responding to requirements of developing countries. The recent decline in UNDP support has had a major impact on the activities of such agencies at the intercountry level.

1. Definitions and categories

85. There is a need for greater clarity in the definition of regional and subregional activities funded by the system since it is proving difficult to provide an overall picture of the current situation. A rough estimate based on figures provided by agencies is that about 10 per cent of operational activities expenditure is devoted to intercountry programmes (not including the Bretton Woods institutions). Resources for intercountry programmes by agencies are obtained from core budgets, UNDP and funds-in-trust, or are provided by bilateral donors. UNDP may account for about a quarter of all intercountry programme expenditures in the United Nations system, while the regional commissions probably account for between 5 per cent and 10 per cent. Total annual expenditures by the United Nations system on intercountry programmes can be estimated at $500 million. Regional development banks contribute roughly $100 to 150 million for regional technical cooperation.

86. One very striking feature of intercountry programmes is their variety and diversity. Economies of scale appear to be the most important rationale for intercountry programmes. There appears to be a growing demand for intercountry programmes to deal with transboundary activities, especially environmental issues. The major categories of intercountry programmes can be described as follows:

(a) Economies of scale: intercountry programmes are designed to enable cost-effective delivery of technical cooperation. Especially in such regions as the South Pacific and the Caribbean, problems of small island countries are effectively addressed through subregional approaches;

(b) Adding value to country-level activities: intercountry programmes are designed to provide regional services that are complementary to and add value to development activities at the country level. Agencies that use country support facilities at the regional or subregional levels consider intercountry programmes from that perspective;

(c) Exchange of experience: intercountry programmes facilitate the exchange of experience between countries (see the UNDP regional programme on macroeconomic reform in the Asia and Pacific region);

(d) Common problems and transboundary issues: intercountry programmes are designed to address problems that are common to more than one country in a region or subregion. Addressing them at an intercountry level is not only cost-effective but often the only way that the whole problem can be addressed. For example, many environmental issues also enable exchange of experience, pooling of knowledge and a division of labour in such areas as research and studies. That approach is particularly common for intercountry programmes related to the health sector, such as disease control, HIV/AIDS and the use of pesticides;

(e) Facilitating economic integration: intercountry programmes are focused on strengthening capacities for economic integration of regions and subregions, particularly in Africa and Latin America;

(f) Advocacy and policy development: an important element of advocacy and related policy issues is featured in the intercountry programmes of several United Nations system agencies. The Joint United Nations Programme on HIV/AIDS is engaged in that form of programme. Many activities have arisen in the follow-up to recent major United Nations conferences;

(g) Regional and subregional mandates: intercountry programmes, especially those of the regional commissions and of UNDP, are designed to implement the mandates of global, regional and subregional intergovernmental-level meetings;

(h) Strengthening regional infrastructure: intercountry programmes are designed to create and strengthen the capacities of regional and subregional institutions in many fields. Examples abound in Africa, where over 30 regional or subregional institutions have been supported at one stage by the United Nations system (see also the Statistical Institute for Asia and the Pacific (SIAP)). Similarly, in Latin America, PAHO has facilitated many regional institutions in the health sector. Other recent ventures of that kind include a joint Vienna institute for macroeconomic training in CIS countries, funded by the International Monetary Fund (IMF), the World Bank, the European Union, the European Bank for Reconstruction and Development (EBRD) and the African Capacity-Building Fund;

(i) Facilitating resource mobilization: intercountry programmes are organized to obtain support from bilateral donors on issues of mutual concern. Bilateral donors have expressed an interest in intercountry programmes in selected geographical areas on key issues.

87. Regional offices of United Nations system organizations play an important role in the design and implementation of intercountry programmes. It is estimated that there are over 100 regional and subregional offices of the United Nations system. Each organization has established its own regional offices without any apparent coordination with other partners. Three issues arise from this:

(a) Geographical coverage: each United Nations system organization uses its own definition of subregional and regional demarcation. That diversity in geographic coverage of offices makes cooperation more difficult, and coverage also varies with the different definitions made by important subregional organizations, such as the Association of South-East Asian Nations (ASEAN) or the South Asian Association for Regional Cooperation (SAARC) in Asia and the Pacific and the Southern Africa Development Community (SADC) in Africa. Such inconsistency may limit cooperation;

(b) Decentralization: a growing decentralization to regions and subregions is taking place in the United Nations system. New subregional offices and facilities are being opened by UNICEF and UNDP. UNDP has also given a regional and subregional dimension to its country offices through an enhanced role for the principal programme resident representative. FAO and ILO have strengthened their regional offices and increased their technical capacities. The Office for Project Services has established several new regional offices. The extent of delegation varies among agencies. Greater consistency might promote greater inter-agency cooperation, as anticipated in General Assembly resolutions 47/199 and 50/120;

(c) Advisory services: an important aspect of decentralization is the manner of organizing advisory services at the regional and subregional levels. Subregional offices are becoming centres of technical services that are on call by countries in the region or subregion. Many agencies have regional advisory services (for example, ILO and the country support teams of UNFPA). With the strengthening of those regional offices and regional teams, a division of labour appears to be emerging between regional and country offices.

88. Effort is required to establish agreed definitions, classification and categorization of intercountry programmes for policy and operational purposes, and for the disaggregation of financial information. There is a need for improved information on contributions to regional and subregional activities, which would promote greater transparency and more information flows, and a greater recognition by recipient countries and bilateral donor agencies of the potential of that form of technical cooperation.

C. Coordination questions

1. Approaches

89. Several approaches to coordination at the regional and subregional levels can be discerned. There is an increasing effort by UNDP to link regional and subregional programmes and country cooperation frameworks. Moreover, the role of the principal programme resident representative (a resident representative, usually in the host country of a project), in managing an intercountry programme has been strengthened. The resident coordinator system is important for increasing coordination between operational activities at the country and intercountry levels; it provides the framework for linkages across agencies. Furthermore, the country strategy note where it exists, can facilitate such linkages. Country framework documents, such as the country cooperation

framework of UNDP, already make explicit provision for recognizing linkages with UNDP intercountry operational activities.

90. There is an increased integration of activities at the regional, subregional and country levels of individual United Nations agencies, such as UNDCP, UNFPA and UNICEF, and also of the various specialized agencies. Thematic and sectoral coordination appear to be the most common form of intercountry coordination. In thematic and sectoral coordination, there is usually a lead United Nations agency to manage coordination arrangements. Sectoral and thematic evaluations could be an important instrument in developing coordinated strategies within the United Nations system, and also in enhancing commitment and ownership. Those types of evaluation could facilitate linkages between regional, subregional and country-level actions. Initially, they can be experimented on in a few selected sectors, in all regions.

91. Cooperation at the policy level and in a region-wide context is facilitated primarily by the regional commissions. The preparatory processes associated with global summits led to extensive collaboration among agencies in policy development at the regional level. Coordination at the policy level creates further opportunities for continued collaboration in more directly operational issues. Coordinated work arrangements on a more long-term basis are taking place.

92. A clearer understanding of each of those coordination approaches is relevant to an assessment of the current status of coordination of regional and subregional activities and the feasibility of a regional strategy note.

2. Regional strategy note

93. The concept of a regional strategy note was advanced in the 1995 report of the Secretary-General on the triennial comprehensive policy review of operational activities for development of the United Nations system (A/50/202). The concept presumes that a planning framework at the regional level would lead to a more strategic use of limited resources and greater involvement of participating countries. Such an overall framework and strategy for United Nations system operations at the regional level would enable more effective linkages among agencies, and would facilitate priority-setting and national ownership of intercountry programmes. With the growing importance of the subregions and more activities being focused on individual subregions, it is entirely possible that a subregional strategy note might be more practical and appropriate.

D. Role of the regional commissions

94. The five regional commissions are an integral part of the operational activities of the United Nations system. Although their total financial contribution accounts for only about 10 per cent of all intercountry programme expenditures, they play a major role through their overall regional presence and their collaborative arrangements with such agencies as UNDP and with bilateral donors.

95. Most regional commissions have reoriented their work to deal with cross-cutting themes. They address regional development issues through a large network within their varying regions. Thus, the Economic and Social Commission for Asia and the Pacific (ESCAP) covers a region which has nearly half the world's population. The Economic Commission for Africa (ECA) has a regional membership of over 50 countries, almost double the size of the ESCAP regional membership, although the ECA population is only one fifth that of ESCAP. The Economic Commission for Latin America and the Caribbean (ECLAC) has even a smaller population, and its membership, along with the Economic and Social Commission for Western Asia (ESCWA), is probably the most of the five regional commissions. The Economic Commission for Europe (ECE) has developed a new role in assisting formerly centrally planned economies to move towards market-based systems. Each region has its own unique features in terms of regional organization.

96. Despite those differences, most regional commissions have a similar focus on intraregional trade and economic cooperation issues, and have a major concern with environmental issues and with water, energy, natural resources and transport.

97. There are at least four ways in which regional commissions undertake operational activities for development: (a) from their own core budgets, particularly for the provision of regional advisory services; (b) as executing agents of a number of UNDP-supported intercountry programmes, examining arrangements for enhancing the extent and quality of the regional commissions/UNDP relationship; (c) collaborating with United Nations agencies within the framework of operational programmes in such areas as trade, the environment and energy; and (d) implementation of programmes funded by bilateral donors.

98. The regional commissions also operate through subsidiary bodies or specialized institutions, such as the Statistical Institute for Asia and the Pacific in Tokyo and the Latin American and Caribbean Institute of Economic and Social Planning.

99. A new emerging function for the regional commissions is that of United Nations system coordination at the regional level. In the last two to three years, the regional commissions have instituted a number of mechanisms for inter-agency coordination. ESCAP organized the Regional Inter-Agency Committee for Asia-Pacific, which has held several meetings on a regular basis. It has delegated important sectoral and thematic functions to a large number of subcommittees, which can probably play an important role on sectoral and thematic coordination in the future, and even in the preparation of regional, sectoral and thematic strategy notes. That approach has important implications for future developments in preparing thematic and sectoral strategy notes and even a regional strategy note.

E. National ownership of regional programmes

1. Issues

100. Development assistance in its various forms - capital, commodity, food and technical assistance - is often seen as an external intervention in the development process. The processes and mechanisms associated with the approval and implementation of development assistance projects and programmes have in many cases been perceived as too donor-driven, and therefore not as effective as they would have been had national ownership been greater. Therefore, both multilateral and bilateral channels of assistance have increasingly aimed to instil a greater sense of ownership of development assistance activities by recipient countries. That trend is supported by the policy directives of the General Assembly in its resolutions 47/199 and 50/120.

101. The concept of ownership at the national level is relatively straightforward. At the intercountry level, however, the sense of ownership is not as clear cut. Two types of intercountry programmes can be identified in terms of ownership. The first type includes intercountry programmes that are indirectly owned by national Governments and other entities. It covers transboundary activities, activities involving working relationships with regional and subregional organizations, and activities with an important advocacy element, usually as follow-up to global conferences. The second type includes intercountry programmes that are directly linked to national development priorities and are implemented nationally. Some of those activities might be regionally based for reasons of efficiency or to achieve a comparative exchange of experience. Coordination with country-level activities is a crucial element in ensuring ownership by the countries of the region, because it enables greater convergence between national priorities and intercountry operations. It is also vital for maximizing the impact of intercountry activities.

102. The search for greater efficiency and effectiveness led in recent years to the increasing adoption of the modality of national execution. United Nations system agencies have been replaced in many countries by national institutions as executing agents. A corresponding arrangement to national execution at the regional level is difficult to observe, although the current approach of UNDP involves region-based institutions, including national institutions, in implementing extensive programme and project activities, especially through subcontracting arrangements. The aim is for Governments and countries in the subregions to decide on matters affecting intercountry programmes.

103. Greater material involvement and ownership can be promoted through a better flow of useful information on a regular and consistent basis. Full consultations with participating Governments is important for ensuring ownership of intercountry programmes. A common form of consultation is the discussion of broad frameworks of regional cooperation at the level of the governing bodies of United Nations agencies, such as the Executive Board of UNDP, which recently reviewed the regional cooperation frameworks of each region. Countries of the region were active participants in that process. The frameworks were prepared through extensive consultations with Governments and United Nations system agencies. Other agencies undertake consultations with their counterpart agencies in national Governments on almost all their intercountry activities.

104. Such consultation procedures have created a sense of ownership of those programmes by national institutions, and have resulted in greater information-sharing. It should be noted that such intercountry consultations can be time-consuming and expensive, and thus need to be rationalized if they are to be cost-effective. Experience indicates that consultative procedures require constant revision and improvement to ensure that all appropriate groups are being consulted, and that the representation of countries at consultation meetings is both adequate and effective.

2. Subregional cooperation

105. Subregional organizations are assuming an increasingly important role in the processes of economic development, including through the creation of free-trade and preferential tariff zones and other forms of partial economic integration. Although such subregional organizations are normally not engaged in development cooperation, they provide participating countries with appropriate structures, and are more familiar and accessible than regional and global bodies, particularly to smaller countries. United Nations system agencies have shown an increasing interest in such subregional organizations, and many United Nations agencies have established working relationships with them. Their interest varies from dialogue to assisting the secretariats of those bodies to develop their capacity and to implementing intercountry programmes through them.

106. The components of the trend towards ensuring greater ownership - greater linkages between country and intercountry activities, more extensive use of region-based and country-based technical resources, greater engagement of institutions from within regions and subregions, extensive processes of consultation in design and implementation, and an increasing focus on subregions - are all important and need to be further pursued. Governments of participating countries should, in general, be encouraged to develop partnerships with intercountry operations by offering their own resources in cash or in kind so that they also become stakeholders in projects and programmes.

3. Technical cooperation among developing countries

107. An important dimension implicit in regional and subregional operational activities, that of the practice and potential for technical cooperation among developing countries, needs to be made more explicit so that more opportunities for such cooperation can be exploited. An important aim of many intercountry activities is to facilitate the establishment of a regional and subregional institutional infrastructure, with capacities to manage critical regional cooperation issues. Several institutions of that kind were established by the United Nations system, and many United Nations agencies continue to be engaged with a large number of region-based institutions. Intercountry activities and methodologies, such as technical cooperation among developing countries, need to become more consistent and transparent and need to be agreed between the various agencies so that institutional centres of excellence can emerge within regions and subregions on key fields of development. Technical cooperation among

developing countries can also be an important methodology for resource mobilization, largely from non-traditional donors and beneficiary countries of intercountry programmes. The technical cooperation among developing countries element of intercountry operational activities can be most valuable for capacity development.

108. Regional and subregional operations of the United Nations system stand to benefit from the establishment of a close working relationship with regional development banks. Their intercountry technical cooperation activities are increasing, and it is estimated that the three regional development banks have programmes in total which are about half the size of United Nations system intercountry activities globally (the Inter-American Development Bank in Latin America disbursed over US$ 50 million in 1996 on regional technical cooperation). The regional banks have important working relationships with regional and subregional institutions. Those new directions for regional banks provide significant opportunities for greater contact and communication, to say the least, between United Nations system intercountry operational activities and regional banks.